

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1929 - SB 2214

February 13, 2018

SUMMARY OF BILL: Decreases, from eight to six, the number of disabled persons authorized to reside in homes classified as a single family residence. Authorizes municipalities to adopt ordinances requiring sober living homes to provide certain notifications.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$1,410,000

Assumptions:

- Based on information provided by the Department of Intellectual and Developmental Disabilities (DIDD), all DIDD state-owned and operated community homes have four residents. Any impact to the DIDD is estimated to be not significant.
- Based on information from Department of Mental Health and Substance Abuse Services (DMHSAS), 140 private facilities classified as single family residences that are licensed by DMHSAS have either seven or eight beds.
- Excluding such facilities from single family residence classification will exclude 264 beds from consideration after discharge from Regional Medical Health Institutes (RMHI).
- Based on information from DMHSAS, reducing the number of available community beds will delay RMHI discharge plans and lead to additional days in such facilities that will not qualify for Division of TennCare or other third-party reimbursement; and therefore, require state funding for continued care.
- The average RMHI bill rate is \$763 per patient per day.
- This legislation will lead to a delay in discharging patients at least seven days for each bed excluded from consideration and result in a recurring increase in state expenditures estimated to be \$1,410,024 (7 days x 264 beds x \$763).
- This legislation defines a sober living home as a single family residence that provides alcohol-free or drug-free housing, promotes independent living, life skill development, and reintegration, and provides structured activities that are directly primarily toward a group of unrelated individuals who are recovering from drug or alcohol addiction and who are receiving outpatient healthcare services for substance abuse or addiction treatment while living in the home.

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- Any act taken by a local government to adopt an ordinance regarding sober living homes is permissive.
- Any impact to local government resulting from requiring sober living homes to provide information and to abide by outlined processes is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj